



STATE OF CONNECTICUT

STATE ELECTIONS COMMISSION

ADVISORY OPINION NO. 80-3

PROPRIETY OF THE SOLICITATION OF CONTRIBUTIONS BY A CORPORATE CONTINUING POLITICAL COMMITTEE THROUGH THE USE OF A PAYROLL DEDUCTION PLAN.

The Commission has been requested to advise a continuing political committee established by a stock corporation on (1) the propriety of its solicitation of contributions through the use of a payroll deduction plan, and (2) the character of the contributions to such a plan vis a vis the requirement that any contribution made or received which is in excess of fifty dollars must be by check.

The stock corporation raising these questions has established both a Federal political action committee to facilitate the making of contributions to a separate segregated fund, pursuant to Federal law and regulations promulgated thereunder, and a continuing political committee pursuant to Connecticut campaign finance laws. 2 USC 441b (3), (6), 11 CRF 114.1(f), Section 9-335, 9-336b(c), 9-348c, Connecticut General Statutes. Federal regulations expressly permit the use of payroll deduction plans as a manner of soliciting contributions to such political action committees. 11 CRF 114.1(f). However, such plans must strictly comply with the requirement that contributions solicited must be voluntary. 11 CRF 114.1(i), 114.5(a). The Commission notes that while Connecticut law is silent with respect to the use of payroll deduction plans as a means of soliciting contributions, the policies underlying the Federal law and regulations apply with equal effect to continuing political committees established by stock corporations or other business organizations pursuant to Chapter 150 of the Connecticut General Statutes. Moreover, Connecticut campaign finance laws expressly permit the making of reasonable and necessary contributions to a continuing political committee by the corporation or other business organization establishing such a committee, for the administration and solicitation of contributions to such committee. Section 9-336b(c), Connecticut General Statutes. Since the Connecticut General Assembly apparently modeled the provisions of the Federal law in this respect, the policies underlying said Federal law are applicable to the Connecticut campaign finance law. The Commission is, therefore, of the opinion that unless the General Assembly expressly provides otherwise, Connecticut continuing political committees should look to applicable Federal regulations on the subject for guidance as to the establishment and implementation of such a payroll deduction plan. The foregoing statement should not be construed as

Phone: (203) 566-7100

410 Asylum Street -- Hartford, Conn. 06103

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negating the Commission's statutory authority, pursuant to Section 9-7b(i), Connecticut General Statutes, to promulgate regulations on the same subject.

In this instance, the corporate continuing political committee has prepared a brochure which expressly states that contributions to the proposed payroll deduction plan are intended to be voluntary. The brochure goes on to explain that "no contributions...are to be solicited or secured by job discrimination, financial reprisal, threat of job discrimination or financial reprisal or as a condition of employment". In this regard, the continuing political committee is intending to comply with Federal law and regulations, and while the Commission has no jurisdiction to determine compliance with applicable Federal standards, it is of the opinion that compliance with such standards shall suffice for purposes of the Connecticut campaign finance laws. See 2 USC 441b(3). 11 CRF 114.5(a).

With respect to the second issue raised by the continuing political committee, Section 9-348k(i), Connecticut General Statutes, provides that "any person who offers or receives a cash contribution in excess of fifty dollars to promote the success or defeat of any political party, candidate," etc., shall be guilty of corrupt practices and shall be punished in accordance with the provisions of Section 9-346l, Connecticut General Statutes. Consequently, it follows that any contribution made in excess of fifty dollars shall be by check. The Commission has previously ruled that a money order bearing the legible signature of the contributor shall be deemed to be equivalent to a contribution in the form of a check. State Elections Commission Advisory Opinion No. 75-5. The apparent intent of the Connecticut General Assembly in enacting said Section 9-348k(i) was to prohibit large cash contributions which tend to unduly influence the outcome of an election and insure that large contributions could be traced to an identified contributor. Applying this policy to the instant case, those employees contributing to the payroll deduction plan must first fill out an authorization card bearing their signature and submit same to the campaign treasurer of the continuing political committee prior to participation. The authorization card as well as all records of contributions will be kept by the campaign treasurer to insure verification thereof for purposes of compliance with the disclosure and record-keeping requirements of Connecticut's campaign finance laws. The Commission is of the opinion that the policies underlying the provisions of said Section 9-348k(i) are being satisfied, and, therefore, rules that said restrictions do not apply to the contributions made or received pursuant to this payroll deduction plan.

For reasons herein stated, the Commission rules that continuing political committees established by stock corporations and other business organizations may solicit voluntary contributions through the use of payroll

deduction plans and that if proper authorization and record-keeping is obtained and kept by the committee's treasurer, the contributions solicited do not violate the letter and the spirit of the provisions of Section 9-348k(i), Connecticut General Statutes.

Dalila Soto

Dalila Soto
Chairperson

January 11, 1980